

QUARTERLY STATEMENT

OF THE

OMNICARE HEALTH PLAN, INC.

of **MEMPHIS**

in the state of **TENNESSEE**

TO THE

Insurance Department

OF THE

STATE OF TENNESSEE

FOR THE QUARTER ENDED

June 30, 2003

HEALTH

2003



00000200320100102

HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2003

OF THE CONDITION AND AFFAIRS OF THE

OmniCare Health Plan Inc

NAIC Group Code

0000

(Current Period)

0000

(Prior Period)

NAIC Company Code

00000

Employer's ID Number

62-1547197

Organized under the Laws of

TN

, State of Domicile or Port of Entry

TN

Country of Domicile

US

Licensed as business type:

Life, Accident & Health

[]

Property/Casualty

[]

Hospital, Medical & Dental Service or Indemnity

[]

Dental Service Corporation

[]

Vision Service Corporation

[]

Health Maintenance Organization

[X]

Other

[]

Is HMO Federally Qualified?

YES []

NO [X]

Date Incorporated or Organized:

October 6, 1993

Date Commenced Business:

January 3, 1994

Statutory Home Office:

1991 Corporate Avenue, 4th Floor

Memphis, TN

38132

Main Administrative Office:

1991 Corporate Avenue, 4th Floor

Memphis, TN

38132

901-346-0064

Mail Address:

1991 Corporate Avenue, 4th Floor

Memphis, TN

38132

Primary Location of Books and Records:

1991 Corporate Avenue, 4th Floor

Memphis, TN

38132

901-346-0064

Internet Website Address:

www.ochptn.com

Statutory Statement Contact:

Lorenzo Harris

901-346-0064

00000

lharris@ochptn.com

901-346-1032

(E-Mail Address)

(Fax Number)

Policyowner Relations Contact:

1991 Corporate Avenue, 4th Floor

Memphis, TN

38132

901-346-0064

00000

OFFICERS

President:

Osbie Howard

Secretary:

Marsha Lynn Robinson

Chief Financial Officer:

Lorenzo Harris

Vice-Presidents

Edward W. Reed, M.D.	Stephanie Dowell	Briggette Green	# Myla Johnson
# Stacey Hill			

DIRECTORS OR TRUSTEES

Alvin King	Julius V. Combs, M.D.	Rebecca Clark	William Brooks
Samuel King	Frank Banks	Beverly Williams-Cleaves, M.D.	Thomas J. Marzette
Charles Carpenter			

State of TN
County of Shelby ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature)	(Signature)	(Signature)
Osbie Howard	Marsha Lynn Robinson	Lorenzo Harris
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Chief Financial Officer

Subscribed and sworn to before me this

17th

day of

October

, 2003

a. Is this an original filing?

YES [] NO [X]

b. If no:

1. State the amendment number

1

2. Date filed

10/17/2003

3. Number of pages attached

NOTARY PUBLIC (Seal)

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
1. Bonds	3,159,811		3,159,811	3,121,523
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 2,722,609) and short-term investments (\$ 0)	2,722,609		2,722,609	2,154,965
6. Contract loans (including \$ 0 premium notes)				
7. Other invested assets				
8. Receivable for securities				
9. Aggregate write-ins for invested assets				
10. Subtotals, cash and invested assets (Lines 1 to 9)	5,882,420		5,882,420	5,276,488
11. Investment income due and accrued	76,783		76,783	67,548
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection	2,714,294		2,714,294	3,188,082
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
12.3 Accrued retrospective premiums				
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers	250,000		250,000	
13.2 Funds held by or deposited with reinsured companies				
13.3 Other amounts receivable under reinsurance contracts				
14. Amounts receivable relating to uninsured plans				
15.1 Current federal and foreign income tax recoverable and interest thereon				
15.2 Net deferred tax asset	570,000	570,000		
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software				
18. Furniture and equipment, including health care delivery assets (\$ 0)				
19. Net adjustment in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	308,509		308,509	275,000
21. Health care (\$ 1,117,500) and other amounts receivable	1,117,500		1,117,500	1,537,829
22. Other assets nonadmitted				
23. Aggregate write-ins for other than invested assets				
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	10,919,506	570,000	10,349,506	10,344,947
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26. Total (Lines 24 and 25)	10,919,506	570,000	10,349,506	10,344,947

DETAILS OF WRITE-INS				
0901.				
0902.				
0903.				
0998. Summary of remaining write-ins for Line 09 from overflow page				
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)				

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	387,000		387,000	1,076,691
2. Accrued medical incentive pool and bonus payments				
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves				
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	1,380		1,380	
10.1 Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))	38,400		38,400	580
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
15. Amounts due to parent, subsidiaries and affiliates				31,197
16. Payable for securities				
17. Funds held under reinsurance treaties with (\$ 0 authorized reinsurers and \$ 0 unauthorized reinsurers)				
18. Reinsurance in unauthorized companies				
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Liability for amounts held under uninsured accident and health plans				
21. Aggregate write-ins for other liabilities (including \$ 2,050,773 current)	2,050,773		2,050,773	2,152,348
22. Total liabilities (Lines 1 to 21)	2,477,553		2,477,553	3,260,816
23. Common capital stock	X X X	X X X	200,000	200,000
24. Preferred capital stock	X X X	X X X	12,550,000	12,550,000
25. Gross paid in and contributed surplus	X X X	X X X		
26. Surplus notes	X X X	X X X		
27. Aggregate write-ins for other than special surplus funds	X X X	X X X		
28. Unassigned funds (surplus)	X X X	X X X	(4,878,047)	(5,665,869)
29. Less treasury stock, at cost:				
29.1 0 shares common (value included in Line 23 \$ 0)	X X X	X X X		
29.2 0 shares preferred (value included in Line 24 \$ 0)	X X X	X X X		
30. Total capital and surplus (Lines 23 to 28 less 29)	X X X	X X X	7,871,953	7,084,131
31. Total liabilities, capital and surplus (Lines 22 and 30)	X X X	X X X	10,349,506	10,344,947

DETAILS OF WRITE-INS				
2101. Premium Tax Payable	1,235,574		1,235,574	1,337,149
2102. Overpayment from State of Tennessee	815,199		815,199	815,199
2103.				
2198. Summary of write-ins for Line 21 from overflow page				
2199. Totals (Lines 2101 through 2103 plus 2198) (Line 21 above)	2,050,773		2,050,773	2,152,348
2701.	X X X	X X X		
2702.	X X X	X X X		
2703.	X X X	X X X		
2798. Summary of write-ins for Line 27 from overflow page	X X X	X X X		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year To Date
	1	2	3
	Uncovered	Total	Total
1. Member Months	X X X	681,500	1,377,079
2. Net premium income (including \$ 0 non-health premium income)	X X X	524,496	101,265,990
3. Change in unearned premium reserves and reserve for rate credits	X X X		
4. Fee-for-service (net of \$ 0 medical expenses)	X X X		
5. Risk revenue	X X X		
6. Aggregate write-ins for other health care related revenues	X X X	747,733	1,784,507
7. Aggregate write-ins for other non-health care revenues	X X X		
8. Total revenues (Lines 2 to 7)	X X X	1,272,229	103,050,497
Hospital and Medical:			
9. Hospital/medical benefits		441,082	61,874,046
10. Other professional services			2,875,613
11. Outside referrals			
12. Emergency room and out-of-area			10,211,130
13. Prescription drugs			14,692,948
14. Aggregate write-ins for other hospital and medical			4,020,499
15. Incentive pool,withhold adjustments, and bonus amounts			
16. Subtotal (Lines 9 to 15)		441,082	93,674,236
Less:			
17. Net reinsurance recoveries		200,000	
18. Total hospital and medical (Lines 16 minus 17)		241,082	93,674,236
19. Non-health claims			
20. Claims adjustment expenses		2,364,958	5,821,754
21. General administrative expenses		(2,054,199)	4,576,450
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)		551,841	104,072,440
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	720,388	(1,021,943)
25. Net investment income earned		73,467	444,291
26. Net realized capital gains or (losses)			
27. Net investment gains or (losses) (Lines 25 plus 26)		73,467	444,291
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 0) (amount charged off \$ 0)]			
29. Aggregate write-ins for other income or expenses			
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	793,855	(577,652)
31. Federal and foreign income taxes incurred	X X X	(424,660)	1,309,400
32. Net income (loss) (Lines 30 minus 31)	X X X	1,218,515	(1,887,052)

DETAILS OF WRITE-INS			
0601. Pharmacy Rebates	X X X	229,550	1,005,989
0602. Premium Tax Revenue from State	X X X	7,740	150,222
0603. Miscellaneous Revenue	X X X	510,443	628,296
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	747,733	1,784,507
0701.	X X X		
0702.	X X X		
0703.	X X X		
0798. Summary of remaining write-ins for Line 07 from overflow page	X X X		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401. Durable Medical Equipment			1,402,214
1402. Transportation			2,618,285
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			4,020,499
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
	To Date	
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting period	7,084,131	7,127,243
GAINS AND LOSSES TO CAPITAL & SURPLUS		
34. Net income or (loss) from Line 32	1,218,515	(1,887,052)
35. Change in valuation basis of aggregate policy and claim reserves		
36. Net unrealized capital gains and losses	28,467	7,382
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(459,160)	1,836,558
40. Change in unauthorized reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital Changes:		
44.1 Paid in		
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus		
48. Net change in capital and surplus (Lines 34 to 47)	787,822	(43,112)
49. Capital and surplus end of reporting period (Line 33 plus 48)	7,871,953	7,084,131

DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)		

CASH FLOW

Cash from Operations	1 Current Year to Date	2 Prior Year Ended December 31
1. Premiums collected net of reinsurance	998,284	99,217,950
2. Net investment income	64,232	470,262
3. Miscellaneous income	747,733	9,567,548
4. Total (Lines 1 through 3)	1,810,249	109,255,760
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,490,141	128,855,930
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) \$ 0 net tax on capital gains (losses)	(462,480)	1,375,820
10. Total (Lines 5 through 9)	1,027,661	130,231,750
11. Net cash from operations (Line 4 minus Line 10)	782,588	(20,975,990)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds		11,855,353
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)		11,855,353
13. Cost of investments acquired (long-term only):		
13.1 Bonds	9,832	13,151,727
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		7,768
13.7 Total investments acquired (Lines 13.1 to 13.6)	9,832	13,159,495
14. Net increase (decrease) in policy loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(9,832)	(1,304,142)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds received	(64,706)	104,116
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(140,406)	2,839,381
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus 16.6)	(205,112)	2,943,497
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11, plus Line 15, plus Line 17)	567,644	(19,336,635)
19. Cash and short-term investments:		
19.1 Beginning of year	2,154,965	21,491,600
19.2 End of period (Line 18 plus Line 19.1)	2,722,609	2,154,965

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	114,544								114,544				
2. First Quarter	112,250								112,250				
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months	681,500								681,500				
Total Member Ambulatory Encounters for Period:													
7. Physician	464,562								464,562				
8. Non-Physician	67,888								67,888				
9. Total	532,450								532,450				
10. Hospital Patient Days Incurred	26,350								26,350				
11. Number of Inpatient Admissions	4,900								4,900				
12. Health Premiums Collected	1,266,046								1,266,046				
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned	524,496								524,496				
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	1,130,773								1,130,773				
18. Amount Incurred for Provision of Health Care Services	441,082								441,082				

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan Premiums						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	1,130,773		187,000		1,317,773	1,076,691
8. Other health						
9. Health subtotal (Lines 1 to 8)	1,130,773		187,000		1,317,773	1,076,691
10. Other non-health						
11. Medical Incentive pools, accruals and disbursements						
12. Totals	1,130,773		187,000		1,317,773	1,076,691

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of OmniCare Health Plan, Inc. are presented on the basis of accounting practices prescribed or permitted by the Tennessee Department of Commerce and Insurance.

The Tennessee Department of Commerce and Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Tennessee for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Tennessee Insurance law. The National Association of Insurance Commissioners' (the "NAIC") *Accounting Practices and Procedures* manual, version effective January 1, 2001 ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Tennessee.

There are no reconciling items between the Company's net income and capital and surplus between NAIC SAP practices prescribed and permitted by the state of Tennessee.

2. Accounting Changes and Correction of Errors

None.

9. Income Taxes

The Company has a net operating loss carry-forward for tax purposes of approximately \$6,900,000 at 12/31/02 and \$6,200,000 at 03/31/03 which expires between 2011 and 2021.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None.

21. Events Subsequent

An action by Vanderbilt University in the Chancery Court for Davidson County, Tennessee: The plaintiff's complaint, filed February 18, 2002, alleged that OmniCare-TN breached a contract by paying less than the plaintiff's full charges for health services provided by its hospital and physician group to OmniCare-TN members. The plaintiff was not an OmniCare-TN participating provider, and OmniCare-TN reimbursed the plaintiff at non-participating provider rates. The complaint sought additional reimbursement of the difference between the rates paid by OmniCare-TN and 100% of the plaintiff's billed charges. On May 28, 2002, the court denied the plaintiff's motion for partial summary judgment on the issue of liability and further held there was no enforceable contract as a matter of law. On July 31, 2002, the plaintiff amended the complaint to add an equitable claim based on quantum meruit/implied contract, seeking payment of the reasonable value of its services to OmniCare-TN members. OmniCare-TN answered the amended complaint on August 30, 2002, stating that it has paid the plaintiff in full for any services provided and asserting affirmative defenses, including that no express or implied contract existed between the parties. On July 7, 2003, the court entered an amended scheduling order setting a November 28, 2003 deadline for pretrial discovery and a trial date in April, 2004.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes [☐] No [X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [☐] No [X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes [☐] No [☐]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [☐] No [X]
- 3.2 If yes, date of change:
- If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [☐] No [X]
- If yes, attach an explanation.
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [☐] No [X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes [☐] No [X] N/A [☐]

If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

06/30/2000
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

09/07/2001
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

09/07/2001
- 7.4 By what department or departments? State of Tennessee

Department of Commerce & Insurance

TennCare Division
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [☐] No [X]
- 8.2 If yes, give full information
- 9.1 Is the company of a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [☐] No [X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [☐] No [X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities and Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC

GENERAL INTERROGATORIES (Continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

INVESTMENT

- 10.1

Has there been any change in the reporting entity's own preferred or common stock?

Yes [☐] No [X]
- 10.2

If yes, explain
- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [☐] No [X]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13.

Amount of real estate and mortgages held in short-term investments:

\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [☐] No [X]
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Statement Value	Current Quarter Statement Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgages, Loans or Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$	\$
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$
14.29 Receivable from Parent not included in Lines 14.21 to 14.26 above	\$	\$

- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [☐] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes [☐] No [☐]
16.

Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No [☐]
- 16.1

For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
AmSouth Capital Markets	315 Deaderick Street, Nashville, TN 37237

- 16.2

For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 16.3

Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [☐] No [X]
- 16.4

If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

- 16.5

Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address

NONE Schedule A, B, BA and D Verification

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book / Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book / Adjusted Carrying Value End of First Quarter	6 Book / Adjusted Carrying Value End of Second Quarter	7 Book / Adjusted Carrying Value End of Third Quarter	8 Book / Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	3,135,954			23,857	3,135,954	3,159,811		3,121,523
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	3,135,954			23,857	3,135,954	3,159,811		3,121,523
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	3,135,954			23,857	3,135,954	3,159,811		3,121,523

NONE	Schedule DA - Parts 1 and 2
NONE	Schedule DB - Part F - Section 1
NONE	Schedule DB - Part F - Section 2
NONE	Schedule S

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.			1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year to Date					
					3 Accident and Health Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums and Deposit-Type Contract Funds	8 Property/ Casualty Premiums
1.	Alabama	AL	NO	NO						
2.	Alaska	AK	NO	NO						
3.	Arizona	AZ	NO	NO						
4.	Arkansas	AR	NO	NO						
5.	California	CA	NO	NO						
6.	Colorado	CO	NO	NO						
7.	Connecticut	CT	NO	NO						
8.	Delaware	DE	NO	NO						
9.	Dist. Columbia	DC	NO	NO						
10.	Florida	FL	NO	NO						
11.	Georgia	GA	NO	NO						
12.	Hawaii	HI	NO	NO						
13.	Idaho	ID	NO	NO						
14.	Illinois	IL	NO	NO						
15.	Indiana	IN	NO	NO						
16.	Iowa	IA	NO	NO						
17.	Kansas	KS	NO	NO						
18.	Kentucky	KY	NO	NO						
19.	Louisiana	LA	NO	NO						
20.	Maine	ME	NO	NO						
21.	Maryland	MD	NO	NO						
22.	Massachusetts	MA	NO	NO						
23.	Michigan	MI	NO	NO						
24.	Minnesota	MN	NO	NO						
25.	Mississippi	MS	NO	NO						
26.	Missouri	MO	NO	NO						
27.	Montana	MT	NO	NO						
28.	Nebraska	NE	NO	NO						
29.	Nevada	NV	NO	NO						
30.	New Hampshire	NH	NO	NO						
31.	New Jersey	NJ	NO	NO						
32.	New Mexico	NM	NO	NO						
33.	New York	NY	NO	NO						
34.	North Carolina	NC	NO	NO						
35.	North Dakota	ND	NO	NO						
36.	Ohio	OH	NO	NO						
37.	Oklahoma	OK	NO	NO						
38.	Oregon	OR	NO	NO						
39.	Pennsylvania	PA	NO	NO						
40.	Rhode Island	RI	NO	NO						
41.	South Carolina	SC	NO	NO						
42.	South Dakota	SD	NO	NO						
43.	Tennessee	TN	NO	YES			524,496			
44.	Texas	TX	NO	NO						
45.	Utah	UT	NO	NO						
46.	Vermont	VT	NO	NO						
47.	Virginia	VA	NO	NO						
48.	Washington	WA	NO	NO						
49.	West Virginia	WV	NO	NO						
50.	Wisconsin	WI	NO	NO						
51.	Wyoming	WY	NO	NO						
52.	American Samoa	AS	NO	NO						
53.	Guam	GU	NO	NO						
54.	Puerto Rico	PR	NO	NO						
55.	U.S. Virgin Islands	VI	NO	NO						
56.	Canada	CN	NO	NO						
57.	Aggregate Other Alien	OT	X X X	X X X						
58.	Total (Direct Business)		X X X	(a) 1			524,496			

DETAILS OF WRITE-INS						
5701.						
5702.						
5703.						
5798. Summary of remaining write-ins for Line 57 from overflow page						
5799. Totals (Lines 5701 through 5703 plus 5798) (Line 57 above)						

(a) Insert the number of yes responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the SVO Compliance Certification be filed with this statement?

YES

EXPLANATION:

BAR CODE:

NONE	Schedule A - Part 2 and 3
NONE	Schedule B - Part 1 and 2
NONE	Schedule BA - Part 1 and 2
NONE	Schedule D - Part 3
NONE	Schedule D - Part 4
NONE	Schedule DB - Part A and B - Section 1
NONE	Schedule DB - Part C and D - Section 1

